

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)	
INFORMATION FILED WITH SOUTH CENTRAL)	
BELL TELEPHONE COMPANY'S PROPOSED)	CASE NO. 95-370
CONTRACT WITH ELECTRONIC DATA SYSTEMS)	
CORPORATION FOR FRAME RELAY SERVICE)	

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company ("South Central Bell"), filed August 25, 1995, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with South Central Bell's special service arrangement contract with Electronic Data Systems Corporation ("Electronic Data") on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with Electronic Data to provide Frame Relay Service. This service allows the transmission of data between two of a customer's locations over predefined logical data circuits. Frame Relay Service is a more efficient alternative to existing packet switching services. In support of its application, South Central Bell has provided cost information which it seeks to protect as confidential.

The information sought to be protected is not known outside South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need

to know and to act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

Frame Relay Service is a packet data offering which competes with similar services offered by providers of competitive private line networks. These include providers of microwave service, digital radio and fiber networks. Disclosure of the information would allow such competitors to determine South Central Bell's cost and contribution from the service which they could use in marketing their competing services to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South

Central Bell competitive injury, and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,


IT IS ORDERED that the cost support data developed in connection with a special service arrangement contract with Electronic Data, which South Central Bell has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 26th day of September, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director